

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

COMMITTEE ON AGRICULTURE

Call to Order: By **CHAIRMAN DIANE RICE**, on March 13, 2003 at 3:00 P.M., in Room 172 Capitol.

ROLL CALL

Members Present:

Rep. Diane Rice, Chairman (R)
Rep. Verdell Jackson, Vice Chairman (R)
Rep. Joan Andersen (R)
Rep. Norman Ballantyne (D)
Rep. Bob Bergren (D)
Rep. Norma Bixby (D)
Rep. Carol Lambert (R)
Rep. Bruce Malcolm (R)
Rep. Jim Peterson (R)
Rep. Brennan Ryan (D)
Rep. Veronica Small-Eastman (D)
Rep. Frank Smith (D)
Rep. Donald Steinbeisser (R)
Rep. Bill Thomas (R)
Rep. Karl Waitschies (R)

Members Excused: Rep. Ralph Lenhart, Vice Chairman (D)

Members Absent: None.

Staff Present: Lisa Gallagher, Committee Secretary
Krista Lee Evans, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed. Tape stamp refers to material immediately following.

Committee Business Summary:

Hearing & Date Posted: SB 242, 3/7/2003; SB 244, 3/7/2003
Executive Action: none

HEARING ON SB 242

Sponsor: SENATOR GARY PERRY, SD 16, Manhattan

Opening Statement by Sponsor:

{Tape: 1; Side: A; Approx. Time Counter: 0 - 1.7}

SEN. PERRY said that what this bill will do is remove the sunset for the agriculture heritage program. There is no fiscal impact and it includes all land users.

Proponents' Testimony:

Don Hargrove, Gallatin County, explained to the Committee the history behind the Agricultural Heritage Program. He also handed out to the Committee Exhibit 1 dealing with the Montana Agricultural Heritage Program.

EXHIBIT(agh53a01)

Randy Smith, Rancher, said that he urged the Committee to pass this bill because it is an important for ranchers.

Brian Kalton, Common Ground, said that he worked with Governor Racicot on this legislation and it is good legislation.

Michael Harris, Gallatin County, submitted his written testimony to the Committee.

EXHIBIT(agh53a02)

Barbara Broberg, Women Involved in Farm Economics, said that they support this bill.

Steve Pilcher, Montana Stock Growers Association, said that this is a good program, but it is just bad timing and that is the reason for the bill. This fund needs to be kept alive so that it can be supported later.

Janet Ellis, Montana Audubon Society, said that they support this bill.

Rock Ringling, Executive Director Montana Land Reliance, said that this program is a good program that needs to be kept alive, and that is why this bill should be supported.

Chris Christiaens, Montana Farmers Union, said that they are in support of this bill.

Bob Stephens, Montana Grain Growers Association, said that they are in support of this bill.

Will Kissinger, Montana Department of Agriculture, said that they are in support of this bill.

Bryan Roberts, Montana Building Industry, said that they are in support of this bill.

Opponents' Testimony: none

Informational Testimony:

Steve Schmitz, Department of Natural Resources and Conservation (DNRC), said that the commission functioned well when it was funded and that currently there is no funding for this program. He said that he would be available for questions.

Questions from Committee Members and Responses:

{Tape: 1; Side: A; Approx. Time Counter: 19.6 - 23}

REP. WAITSCHIES asked Don Hargrove if the sunset was on the program or on the commission. Don Hargrove said that the sunset is on both, because they both rely on each other.

REP. WAITSCHIES asked Don Hargrove if any of the easements were on local program tax base. **Don Hargrove** said that agricultural land brings in more money than recreational land and that it is better to keep the money in the farm.

REP. WAITSCHIES asked Rock Ringling if there is a tax break on easements. **Rock Ringling** said that under Montana law you cannot use an easement for a tax write off.

REP. ANDERSON asked Rock Ringling if there is a time limit on an easement when it is placed on agricultural land. **Rock Ringling** said that easements come in different time frames. There is a 15-year limit and a 20-year limit and perpetuity for agricultural land.

REP. ANDERSON asked Rock Ringling if an easement was in perpetuity would they receive benefits for the estate from the state. **Rock Ringling** said that is correct.

REP. ANDERSON asked Rock Ringling if there was any limits on how the land could be used. **Rock Ringling** said that under easements agricultural activities were acceptable.

REP. JACKSON asked Rock Ringling if there was a problem with passing the farm on to the family, or if the farm would have to be split up. **Rock Ringling** said that when the people come to him they draft up the easements how the clients want them. Out of the 523 drafts that he has done, only 83 farms were sold as one piece.

REP. RICE asked Randy Smith, during his ten year period as Chairman, how much money the program brought in. **Randy Smith** said that it was about eight to one. They were funded about \$1 million by the state and they brought in about \$8 million.

Closing by Sponsor:

{Tape: 1; Side: B; Approx. Time Counter: 0 - 1.2}

SEN. PERRY asked that the Committee do concur on SB 242.

HEARING ON SB 244

Sponsor: SENATOR BOB STORY, SD 12, PARK CITY

Opening Statement by Sponsor:

{Tape: 1; Side: B; Approx. Time Counter: 1.6 - 2.9}

SEN. STORY said that what this bill will do is allow for people who pay for the use of the reservoir to get free passes instead of having to pay twice.

Proponents' Testimony:

{Tape: 1; Side: B; Approx. Time Counter: 3.2 - 8}

Carl DeVries, President Rock Creek Water Users Association, submitted his written testimony.

EXHIBIT (agh53a03)

Opponents' Testimony: none

Informational Testimony:

{Tape: 1; Side: B; Approx. Time Counter: 9.5 - 14.1}

Doug Monger, Administrator of the Parks Division for Montana Fish, Wildlife and Parks (FWP), submitted his written testimony.

EXHIBIT (agh53a04)

Questions from Committee Members and Responses:

REP. STEINBEISSER asked SEN. STORY who maintains the dams. SEN. STORY deferred to **Carl DeVries**, who said that he could not speak for all the dams, but their dam was build as an irrigation project in the 1930's and it is maintained through the DNRC. The workings of the dam are the responsibility of his group.

REP. SMITH asked Carl DeVries, if FWP gives a bunch of exemptions, where they will get the money to maintain the roads. **Carl DeVries** said that the Department will have to operate within their budget. He also said that there is a very small amount of money that is being lost.

REP. SMITH asked Carl DeVries if he could provide the statistics of how much money would be lost. **Carl DeVries** said, "No."

REP. PETERSON asked Doug Monger if there is a variation from project to project. **Doug Monger** said that there is a difference but he did not have the numbers with him.

REP. THOMAS asked Carl DeVries how many members are in his association. **Carl DeVries** said that it is a little over 200 people. The associations vary: some are active, some are not, and the size varies as well.

REP. WAITSCHIES asked Doug Monger if FWP provides other services at the reservoirs. **Doug Monger** said that they do. They provide camp spots, toilets, and boat docks.

REP. WAITSCHIES asked Doug Monger how much money was needed to maintain these services. **Doug Monger** said that at Cooney Dam the amount is about \$175,000 per year.

REP. SMITH asked Doug Monger how much money is federal dollars. **Doug Monger** said that about \$150,000 is on the statewide level. The federal money is used for the construction and not the maintenance.

REP. LAMBERT asked SEN. STORY if one has to pay for a privately owned reservoir. **SEN. STORY** said that if the dam is private then they do not have to pay.

{Tape: 2; Side: A; Approx. Time Counter: 0 - 1.8}

REP. LAMBERT asked SEN. STORY if FWP stocking the reservoir constitutes money being put in by FWP. **SEN. STORY** said FWP

stocks reservoirs and if they stock fish in streams they do not require fees.

REP. THOMAS asked Doug Monger if other associations do projects to help protect the face of the reservoir. **Doug Monger** said, "Yes, I think that they do."

REP. JACKSON asked SEN. STORY in line 20 of page 2 who makes the decision about "may." **SEN. STORY** said that he did not know about the word "may"

REP. BIXBY asked SEN. STORY where the contractors get the money to maintain the reservoirs. **SEN. STORY** said that it is a combination of funds. There is a fee that the associations pay for the water; they also get grants.

REP. SMALL-EASTMAN asked Doug Monger how much money the Department clears. **Doug Monger** said that about 25 to 30 percent is paid by fees statewide.

Closing by Sponsor:

SEN. STORY urged the Committee do concur.

ADJOURNMENT

Adjournment: 5:00 P.M.

REP. DIANE RICE, Chairman

LISA GALLAGHER, Secretary

DR/LG

EXHIBIT (agh53aad)